

DIPLOMATISTS OPTIMISTIC ON OUTCOME OF EUROPEAN WAR



Representatives of Countries of the Western Hemisphere Give Their Opinions of Present Effects of the Struggle and Ultimate Results

Below are given statements by the Spanish Ambassador and representatives of the republics of the Western Hemisphere on the effects of the war in Europe. They cover both the present situation and the outlook in the future. Of course the results have been felt acutely in finance and commerce, but all the diplomats quoted hold optimistic opinions in regard to the ultimate outcome.

By Juan Riano, Spanish Ambassador.

Spain will be financially affected by the European war. At the present time, of course, all the great nations must necessarily encounter difficulties and inconveniences due to the non-activity of the money markets of the world. Therefore, my country, like all the others, meets with obstacles now, but later on the effects of the war of the nations, as far as Spain is concerned, will be less noticeable.

I truly think that our exportations will increase, as they will have to take the place of those of some of the warring nations, which belligerent countries, owing to their present circumstances, will find it to be an utter impossibility to attend to that branch of industry.

On account of that fact I believe the commercial relations between Spain and the United States will increase.

I cannot venture to state my opinion as to the duration of the European war, and being, as I am, a representative of an absolutely neutral country I cannot give any further views regarding the same.

By Santos A. Dominici, Minister from Venezuela.

The effect of the European war on Venezuela is very noticeable. It is the same as that experienced in the other American republics, including the United States. Half of the general trade of Venezuela, both in exports and imports, is effected with the three nations that are most interested in the struggle—France, Germany and England. Our commercial intercourse with the United States is scarcely one-third of that amount. It may be stated therefore that during the war the economic movement of Venezuela will be at least 50 per cent. less than heretofore.

But those three countries do not exchange with Venezuela merely merchandise and products of the soil. They are our masters in science, art and industry, as undoubtedly they are so with regard to all humanity. The social psychological atmosphere wherein the world has existed since war was declared is also depressive to all progress or advancement. Civilization has come to a grievous standstill, which will last for the future its dark shadows for many years, and the dark shadows will blacken forever the names of those who are responsible for this war, which history will consider as an anachronism.

By Emilio Chamorro, Minister from Nicaragua.

Regarding the effects of the present war of the nations on Nicaragua, I have to say that it has caused serious financial difficulties, as Nicaragua is dependent on her revenues to pay her current expenses. About two-thirds of the revenues derived heretofore have come from the importations of Europe, which, owing to the war, have been completely cut off. The goods from the United States coming in under lower duties.

Trade in the principal article of export from Nicaragua—coffee—is for the present paralyzed, owing to the fact that the European merchants have always financed the crop by making advances to the merchants and planters for gathering and shipping it. And as the price that can be obtained in this country has always been lower than the price in Europe the effect will be seriously felt.

Nicaragua possesses in abundance lands suitable for the cultivation of sugar cane, and no doubt many will go into that business owing to the high prices now ruling.

If the war lasts much longer, perhaps Nicaragua will profit by it, as in that country there is a great deal of land suitable for agricultural purposes, particularly sugar cane, and also plenty of lumber that can be utilized. But at the same time it is painful to think of profiting by the destruction of human lives and civilization.

By Ignacio Calderon, Minister of Bolivia.

The present European war affects the world, and therefore it affects Bolivia. The greater part of our commerce of importation and exportation is with England and Germany, and our business transactions with the warring nations will be at a standstill as long as the conflict lasts.

The United States needs many of our products, especially timber and rubber, and will have to procure those articles from my country. We, on the other hand, will be obliged to purchase in the United States much merchandise and machinery which we used to receive from Europe.

I think that this is more or less the situation of the other countries, and so the European war will necessarily have to benefit the commercial and industrial relations of the countries of this hemisphere.

And the American countries have been the first to suffer the effects of this sudden and unexpected explosion of hostilities on account of their intimate relations with Europe.

The two principal sources of income of Costa Rica were immediately affected, that is to say, the exportation of coffee and lumber and the custom house receipts.

The suspension of payments agreed upon by the commercial houses of London and Hamburg at the outbreak of the European war alarmed the agriculturists and merchants of Costa Rica, as was to be expected. From that moment Congress in my country fully authorized the Executive to adopt such urgent measures as he thought advisable, proper and necessary, and since then the Government has unceasingly worked with that end in view.

The possibility of the establishment of an independent bank of one of the American banks was considered. This measure would have been very advantageous, as it would have facilitated and consequently encouraged business transactions between the United States and Costa Rica. But as a scheme of this kind requires time, and the gathering of the coffee crop could be delayed no longer, the Government tried to make an arrangement with the existing banks to protect the interests of agriculturists and industrial workers. The banks refused to accept the Government's propositions because this meant a diminution in the probable gain that an abnormal situation could bring about, besides its present benefits.

The Government has decreed the establishment of an international bank which will not be managed by the Government, but supervised as all the other banks are, and its capital of millions of dollars will be guaranteed with bonds of the treasury and the consolidated bonds that were issued in 1911 for the sum of \$32,800 pounds.

This urgent measure already has brought about excellent results and will allow us to wait the necessary time so as successfully to carry into effect the plans started by the Government.

If American manufacturers can be convinced of the fact that the granting of long terms of credit will secure them a market in Costa Rica as well as in the other republics of Latin America, that policy has secured a market for the European nations, this splendid opportunity can be made available in a definite manner.

By Carlos Manuel de Cespedes, Cuban Minister.

It seems to me that the present European conflict is the beginning of a series of gigantic wars that will perturb for a long time the tranquillity and peace of the world.

ashes will, and vice versa. There is no enlightened community to which the war will not cost millions, to some hundreds and others thousands of millions of dollars in expenses, losses and drawbacks of all sorts. On the other hand, should the war last a long time, those nations that are far away from the deadly crater will establish a new modus vivendi, which in the case of some of them would compensate the losses and to others would be a fruitful source of new prosperities.

Its mercantile and political results, as far as America is concerned, will be those of binding the ties closer among our republics, thereby making each other better and love each other more. But when that period shall have terminated, whether it be a long or brief one, and I am of the opinion that it will last at least two years—the influence of the other part of the world which is at present at war will be felt again, and the interchanges and the spirit of competition will be reestablished, because all commerce, taking everything into account, is governed, rather than by sympathy or international relationship, by the three great principles that regulate trade, namely: prices, markets and distances.

Europe, still impoverished by the Titanic struggle, will be a formidable competitor, an indispensable factor in the progress of the world, which could not be eliminated without destroying the equilibrium of both hemispheres.

Those who now go into new enterprises must not forget this, but instead let them remember it very well in order to be able to make their mercantile calculations more exact.

Cuba finds herself entirely within the group of neutral nations far away from the present European struggle, as I have already stated, having a

natural production, especially that of sugar, which allows her to derive great benefits from the abnormal condition of the market, and it is but natural to suppose that a large portion of the gold which she may receive from the sale of her sugar at high prices will be used for the importation of greater quantities of products coming from the soil and industries of the United States.

Peace on the American continent should continue unshaken, the minds of the people should be evenly balanced, and the desire to remain neutral and not take part in the present animosities should be firm in order that they may be able to lend a helping hand to the rest of humanity at a given moment, and so as to assist in stitching its wounds, thus raising it again to our enviable level.

By Roberto Ancizar, First Secretary in charge of Colombian Legation.

On account of the European war the markets where Colombia was wont to sell to advantage a large part of her products, namely gold, platinum, ores, emeralds, coffee, cocoa, tobacco, rubber, ivory, nuts, hides, &c., are closed, and the republic cannot receive the goods and manufactures in which she was accustomed to deal. For example, Colombia used to buy in the aggregate \$12,000,000 in cotton and woolen goods, only \$1,500,000 of which came from the United States. But that war has especially suspended for Colombia the banking and credit facilities which were necessary to prepare and gather the crops of coffee and other products and to place them in European ports.

If the war continues, Colombia will necessarily increase her purchases in the United States, but in order that

that increase shall be a large one it will be indispensable that the United States should provide easy means of purchase, and that can be accomplished by affording Colombia an opportunity to sell her products in the United States. By displaying a little intelligence and the pluck which characterizes Americans, and by having full confidence in the honor and solvency of Colombian merchants, the unsettled condition brought about by the European war can be changed into the beginning of a permanent boom for the trade relations between Colombia and the United States.

A factor of very large importance for the unlimited development of American trade with Colombia would be the approval by the American Senate of the treaty pending between the United States and Colombia. By virtue of that treaty Colombia is to receive \$25,000,000, which is to be wholly invested in railroads, canal works along the Magdalena River and the erection of wharves and warehouses in the Colombian ports and the Atlantic and Pacific oceans. Here may be seen a splendid opportunity for the manufacturers of the United States to sell to Colombia railroad ties, dredges, locomotives, machinery, &c., and for the engineers, laborers, mechanics and all enterprising men of this country to find work there.

In the year 1890 the Argentine Republic was a poor country, having then terminated a long period of bloodshed and tyranny. English capitalists had faith and foresight, and invested their money there in railroads, harbors and farms, and today they are the leading men in that wonderful and prosperous country. The economic possibilities of Colombia are even greater than those of the Argentine Republic, and it is at this moment or never that the Americans should succeed in accomplishing in

Colombia what the English did in Argentina.

Even if the payment of the \$25,000,000 to Colombia should be considered merely as an investment it would constitute the best and most valuable that the United States could undertake in Latin America, in the country which is neighboring on the canal and has seaports on both oceans.

I hold that the pending treaty is something which may be styled providential, not only because it constitutes an act of justice which does honor to the American people, but also because it will be a source of great benefit to the commercial and industrial activity of this great republic.

If the treaty is not approved that palpable, logical and fruitful future would fall to come to pass, and the United States could not take any advantage whatever of the opportunity the European war offers with regard to the Colombian Republic.

By Carlos A. Meza, Secretary of Salvador, in charge of Legation.

Salvador, like all other countries of the American hemisphere, naturally suffers the consequences of the European war, which are felt everywhere.

Fortunately Salvador is at present in a flourishing condition. It has been endowed with natural wealth, and moreover, is thickly populated. Owing to this density of population and the tendencies of the people my country is comparatively of an industrious character. Whereas the requirements of the republic are few, and they can be subverted by national industries. It is on solid foundations and has its own resources to bring about a permanent financial prosperity.

As to the duration of the conflict I shall say that I believe it will be a prolonged one. This war will deeply influence many political and social institutions, which will not be able to remain in equilibrium any longer and which

Many Believe Commercial Relations Between Their Countries and U. S. Will Increase Owing to Inability of Those at War to Handle Situation

Salvador has a great trade with the United States, nearly half of its commerce being with this country, and that is why, but not that it is its trade should increase, and especially so at the present time owing to the European war.

No one can fail to see that the efforts made by American merchants to increase the commercial relations with Latin America will bring about good results.

The trade of Central America with the United States will continue to increase daily.

By Eduardo Soler, Minister of the Dominican Republic.

The Dominican Republic, like every other nation that enjoys civilization, has to feel the evil effects of that horrible catastrophe which threatens to plunge the world into the most awe inspiring and barbarous savagery. Taking into consideration merely the economic view of the conflict I may state that my country sells to Europe a large part of its crop of coffee, cocoa and sugar, and especially and exclusively its tobacco crops, whose only market is that of Hamburg. Therefore the lack of a German market for these products means the ruin of one of the richest regions of my country and causes a considerable diminution in our national wealth.

On the other hand, not being able to sell our products in Europe, the importations from there are greatly reduced, and the importation duties must necessarily diminish in a noticeable proportion.

As far as the increase of our commercial dealings with this country are concerned on account of the war it seems to me that it could certainly be effected if certain modifications in the trade customs of this nation were made in order to meet with the special needs of Dominican commerce.

As to the duration of the conflict I shall say that I believe it will be a prolonged one. This war will deeply influence many political and social institutions, which will not be able to remain in equilibrium any longer and which

liath as lay to our hands, among them the cutting off of his war supplies.

Now, cousin, you step in with your "Say, here, what about my dollars?" and in English, while we give you a reasoned, diplomatic reply, feel that you are playing the part not of the real America, "sweet land of liberty" but of the intrusive tripper into Old World solemnities, which the Old World doesn't like.

But of the intrusive tripper into Old World solemnities, which the Old World doesn't like. The German may pretend to delight in your having embarrassed us at an awkward moment. But what the German is doing privately is to rejoice at what he believes to be the breakup of the Anglo-American bond of friendship which has hitherto kept German militarism off the American continent and away from the

Cousin J., to content yourself with a small navy and next to no army.

The Monroe Doctrine without Britain and the British fleet would years ago have gone the way of the Belgian Empire of paper and the Hapsburg Empire of Austria. The American sentinel at the gates of Europe against the advance across the Atlantic of the gospel of "might is right." With you she stood for the principles of peace and liberty, and with your backing she has the chance of carrying Anglo-American ideas across the continent of Europe. With you behind her she has the chance of laying the foundations of the United States of Europe.

What happens? We have to take stock of you as a possible enemy. The tone of your note was that of a man who had a big stick behind him. We have to ask ourselves what is your fighting strength and for a moment we turn our face to the west and our back on Europe. We shall remember as we go that that we belong geographically, after all, to Europe. A voice behind us—a gruff, guttural voice, with a laugh in it, will say:

"There, John, you see what his friendship was worth to you when it affected his pocket."

We shall turn round and see the face of Wilhelm II., who has all along had it as the desire of his life to unite Europe against the Monroe Doctrine. Take up cudgels against us, cousin, and you change us from being the advance guard of America in Europe to being the advance guard of Europe toward America. And remember that unless we win this war outright we shall be to protect our hearths and homes, become armed to the teeth; we shall no longer be the sluggard who allowed his island to become the universal dump heap, and as well as our hearths and homes we shall protect our markets.

will be overturned one after the other, bringing along with them in their downfall the inevitable tide that will check for a long time the material progress of the world.

By Walter S. Penfield, Counselor of the Legation of the Dominican Republic.

The countries of Latin America will suffer immense loss economically by reason of the European conflict, especially if there is a prolonged war. They have been dependent almost entirely on the merchant fleets of the belligerents for their international commercial intercourse. They will therefore be unable to export or import the amounts of goods that are exchanged during peaceful times. This will of course cause stagnation in business and industrial depression.

Latin America raises part of its revenues by both export and import duties. The cessation of commerce will thus diminish the income of the countries and cause financial stringency.

While the United States has apparently a golden opportunity to secure the trade heretofore possessed by some of the belligerent countries it will not be able to do so to any great extent, due to the lack of merchant marine, branch banks in those countries and a system of exchange and credit by which trade can be carried on. Even if the United States possessed these it is doubtful whether it would be able to compete successfully in Latin America with the English, French and German after the termination of the war, due to the lack of any continuously consistent and logical policy toward Latin America and the development of its trade and commerce.

By Enrique Coronado, Director-General of the Bureau of Information of the Colombian Republic.

The magnitude of that disastrous conflict in which the most enlightened countries of Europe are involved to-day must and will affect such republics as Colombia, which are just developing and whose development has largely depended on the commercial and financial aid of the European countries.

With the European calamity, which is more of a universal revolution than an ordinary war, and the resulting suspension of commerce with the belligerent nations, has come the diminution of the custom house duties, which is the largest item in the budget of the republic; exportations have been detained owing to the lack of markets and maritime communications, and the credit of the dealers at large has been nearly annihilated, all merchants and exporters being unable to dispose easily of the sums which they have deposited with the European banks and arms.

As a consequence of the diminution of importations the maritime cities, which mostly exist on trade not of a permanent nature, to-day see their activities paralyzed; the earnings of the railroads are less than ever, and all the public works which are being built at present by foreign firms must necessarily be interrupted until peace reigns supreme once more.

The economic and financial situation of Colombia is rather good, so much so that it has been one of the few nations that have not been obliged to protect their citizens with a moratorium at present. The total commerce of the country in 1913 was as much as \$62,851,600, of which \$44,315,800 was exportations and \$18,535,800 importations, giving a balance in favor of the republic of \$5,785,000. Twenty-six per cent. of the exportations were sent to European countries, from which 34 per cent. of the importations were taken, the balance being trade with the United States.

The country is extraordinarily rich in minerals. There is gold found nearly all over the republic in lodes and deposits or mixed with other metals, especially in the central and western chains of mountains in the Andes; silver is found in large quantities in Antioquia, Caldas, and to the south and north of Tolima; iron and copper in Boyaca, Cundinamarca and Magdalena, and there are extensive mines of platinum in the region of Choco.

With regard to agricultural undertakings we might mention the cultivation of the banana in the department of Magdalena, which gives very profitable results, and which daily increases owing to the improvement in irrigation and to the establishment of new enterprises on the lands between Santa Marta and Fundacion.

All the foregoing shows what great opportunities there are for the United States to increase its trade with Colombia, since at present the commercial relations of the latter republic with the European countries are at a standstill.

London "Bystander" Warns Cousin Jonathan Against Intrusion

Secretary Bryan's recent note on the rights of neutral shippers has provoked much discussion in England. One British view of the situation is set forth in a striking manner in the following article in the London "Bystander."

"FRANK and friendly" talkers never more likely to cause trouble than when they're between kinsmen, and talks between kinsmen never more likely to degenerate into free flights than when they are "frank and friendly." Therefore the Bystander will not emulate Sir Edward Grey and William J. Bryan in the frankness, because it might lead to our prompt expulsion from the bookstalls, hotels and clubs of New York city, which would be bad for us and worse for New York.

We will, therefore, dissimulate, cousin, and say what it is polite to say, and that only as to our feelings over this controversy you have sprung on us. These feelings are practically the same as those with which we regard all things American—the feelings of the Old World for the New.

We were shaken by your note just as we are apt to be by your accent. It came upon us as does the New World tourist, at a moment when we are in the oldest of Old World humors. I felt when the papers revealed your note to me exactly as I did in Venice last year, when, meditating near the Cathedral of St. Mark, I heard the voice of Potiphar Q. Buggins from Buffalo exclaim:

"Say, what d'you pay these here gon-dolla drivers from the railroad depot right here?"

Your note fell upon the European air just as did that of Buggins on the air of Venice. It jarred and it jangled. It evoked the commercial in the region of the majestic.

We in England look on this war as something immensely big—as something which gets to look bigger every day. It is stirring up within us all the emotions we ever had at all times of our history. Not only is it awakening our ordinary fighting qualities but it is also calling out of the depths all our Anglo-Saxon zeal for righteousness, for liberty, for justice. It is making us visionaries, with the sense of the future full upon us.

We are all, when we are not wondering what will be our fate as individuals, wondering what will be the fate of nations as a whole. We are thinking of the welfare of all the world, hoping against hope that this mighty clash of all the arms and all the brains they are the leading men in that wonderful and the settling down of Europe to a sort of peace such as reigns, Jonathan, on your continent.

To bring this about, we believe that we have to break up once and for all the militarist cabal which controls the German empire, and which seeks to fix the Teuton yoke on the necks of all nations which the Teuton heel cannot crush. Being ourselves, like you, a non-militarist State, we have had to resort to such means of reducing Ger-

man to lay to our hands, among them the cutting off of his war supplies.

Now, cousin, you step in with your "Say, here, what about my dollars?" and in English, while we give you a reasoned, diplomatic reply, feel that you are playing the part not of the real America, "sweet land of liberty" but of the intrusive tripper into Old World solemnities, which the Old World doesn't like.

But of the intrusive tripper into Old World solemnities, which the Old World doesn't like. The German may pretend to delight in your having embarrassed us at an awkward moment. But what the German is doing privately is to rejoice at what he believes to be the breakup of the Anglo-American bond of friendship which has hitherto kept German militarism off the American continent and away from the

Cousin J., to content yourself with a small navy and next to no army.

The Monroe Doctrine without Britain and the British fleet would years ago have gone the way of the Belgian Empire of paper and the Hapsburg Empire of Austria. The American sentinel at the gates of Europe against the advance across the Atlantic of the gospel of "might is right." With you she stood for the principles of peace and liberty, and with your backing she has the chance of carrying Anglo-American ideas across the continent of Europe. With you behind her she has the chance of laying the foundations of the United States of Europe.

What happens? We have to take stock of you as a possible enemy. The tone of your note was that of a man who had a big stick behind him. We have to ask ourselves what is your fighting strength and for a moment we turn our face to the west and our back on Europe. We shall remember as we go that that we belong geographically, after all, to Europe. A voice behind us—a gruff, guttural voice, with a laugh in it, will say:

"There, John, you see what his friendship was worth to you when it affected his pocket."

We shall turn round and see the face of Wilhelm II., who has all along had it as the desire of his life to unite Europe against the Monroe Doctrine. Take up cudgels against us, cousin, and you change us from being the advance guard of America in Europe to being the advance guard of Europe toward America. And remember that unless we win this war outright we shall be to protect our hearths and homes, become armed to the teeth; we shall no longer be the sluggard who allowed his island to become the universal dump heap, and as well as our hearths and homes we shall protect our markets.



PUTTING IT TO THE TEST
President Wilson—"Sakes alive! Seems like I'm goin' to prove that water is thicker than blood, after all!"